



ERNIE FLETCHER
GOVERNOR

EXECUTIVE ORDER

2005 - 120

Secretary of State
Frankfort
Kentucky

February 7, 2005

RELATING TO THE PUBLIC SERVICE COMMISSION
TO REPORT ON THE INTERACTION OF THE FEDERAL GOVERNMENT
AND INTERNATIONAL INSTITUTIONS WITH THE ENERGY POLICY
OF THE COMMONWEALTH

WHEREAS, the Commonwealth Energy Policy Task Force issued a comprehensive energy strategy to guide energy policy decisions for the Commonwealth of Kentucky; and

WHEREAS, The Commonwealth of Kentucky is blessed with abundant and affordable supplies of energy; and

WHEREAS, energy prices in Kentucky and elsewhere, however, can be volatile, resulting in high energy prices during times of extreme cold or heat, and affecting most those low-income and fixed-income citizens least able to pay; and

WHEREAS, Kentucky citizens, businesses, and industries depend on Kentucky's low-cost energy advantage to protect our lives and livelihoods, to grow our economy, and to attract investment in our State; and

WHEREAS, as a net energy producer and exporter, Kentucky-based companies and workers benefit from opportunities to export Kentucky-produced energy sources; and

WHEREAS, Federal policies affecting the price and deliverability of energy in interstate commerce affect Kentucky's energy consumers and energy producers; and

WHEREAS, as a net energy producer in a global energy marketplace, international policies and trends may affect Kentucky's ability to produce low-cost energy; and

WHEREAS, the Commonwealth Energy Policy Task Force's report, *Kentucky's Energy – Opportunities for our Future*, recommended, "The Commonwealth of Kentucky should investigate the emerging impact of global and national policies and institutions on Kentucky's energy future.";

NOW, THEREFORE, I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by the Kentucky Constitution and in particular Sections 69 and 81, and Chapter 278 of the Kentucky Revised Statutes, and as further invested in me by the laws of the Commonwealth, do hereby FIND, DECLARE, ORDER and DIRECT the following:

1. The Kentucky Public Service Commission shall consider, investigate and issue a report related to the role of the federal government and international



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institutions, as they might bear on an energy policy for the Commonwealth of Kentucky.

2. The report referenced herein shall identify federal and international policies or actions that affect the ability of the Public Service Commission to establish in Kentucky electricity and natural gas rates that are fair, just, and reasonable. The report also shall identify how such policies or actions affect the ability of Kentucky-based energy producers to export energy supplies in interstate and international markets.
3. The Public Service Commission shall issue the report referenced herein to the Governor no later than six (6) months from the effective date of this Order.


ERNIE FLETCHER, Governor
Commonwealth of Kentucky


TREY GRAYSON
Secretary of State

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DATE 2/7/05

TREY GRAYSON

SECRETARY OF STATE

COMMONWEALTH OF KENTUCKY

BY R. Adler
